

City of Elk Run Heights
Regular Council Meeting
Located at Eddis Winstead Council Chambers
March 9, 2021 - 6:00 p.m.

Mayor Lundy called the meeting to order at 6:00 pm. All present recited the Pledge of Allegiance. Roll call of Council Members: Present–Smock, Ratchford, Wilson, Bass, and Sallis. Quorum present.

Ratchford/Smock to approve of the March 9, 2021 Agenda. Ayes-Five. Motion carried.

Ratchford/Bass to approve the Consent Agenda: A. February 9, 2021 regular meeting minutes, February 16, 2021 special meeting minutes, and February 22, 2021 special meeting minutes. B. City Clerk’s Reports as of February 28, 2021: Budget Report, Treasurer’s Report, Investment Report. C. Approval of Building Inspection, Library, PeopleService Sewer/Water, and Police reports. Roll call vote: Ayes-Five.

Ratchford/Sallis to approve the Resolution Calendar: a. Resolution 3058 authorizing the payment of bills and transfers b. Resolution 3059 Year End Transfers c. Resolution 3060 to provide for a notice of hearing on proposed plans, specifications, form of contract and estimate of cost for the Elk Run Heights and Raymond WWTP Project, and the taking of bids therefor for April 13, 2021 d. Resolution 3061 Personnel Policy by amending Section H “Paid Time Off”, Section G.1 “Miscellaneous Leaves”, and Section L.5 “Pay and Compensation” e. Resolution 3062 declaring a surplus of funds in the Water Fund and approving the transfer of \$15,000 to the Garbage/Landfill Fund to cover a deficit. Councilor Bass asked about Resolution 3059 and why there is money leaving the Wastewater Treatment Plant Fund and going into the Sewer and General Funds. City Clerk Eastman explained the Sewer Fund has been in a deficit for several years, but it was not obvious because the Capital Project Fee was accumulating in that fund. Therefore, when the CP funds were transferred to their own fund it was shown there has been a large deficit. Eastman stated the General Fund needs to have the reserves built back up. Councilor Ratchford asked if this will result in a rate increase for the sewer bills, Mayor Lundy responded yes. Ratchford asked how much we are looking at for an increase. Eastman explained there has not been a rate increase since 2014, which technically did not cover the expenditures for that year. By calculating the expenses budgeted for FY22 and adding the required reserve there is a total of \$351,051.30, divided by 12 months, and an estimated 496 accounts, there should be an increase of \$58.99 per month to cover all budgeted expenses and required reserve amounts. Following discussion of the increase Eastman explained there is currently a survey being done on the water and sewer usage and possibly Midwest Assistance Program will have some alternative idea’s on how to make this transition. After discussion it was decided to have an additional meeting on March 30, 2021 to discuss the rates. Roll call vote: Five.

Ratchford/Smock to open Public Hearing for the Fiscal Year 2021/2022 Budget at 6:22 p.m. Ayes-Five. Motion carried. Proof of publication is on file and there were no public comments. Councilor Bass mentioned there are more expenditures than revenue. Councilor Smock responded this is due to the fund balances that have been building for several years. Bass stated there are still transfers being done for projects coming up and there obviously is not enough funds to be doing so because there is money being transferred back into those accounts from the Wastewater Treatment Plant Fund. Mayor Lundy stated once the budget was done there was a total reserve of over 1 million. Ratchford/Wilson to close Public Hearing at 6:25 p.m. Ayes-Five. Motioned carried.

Ratchford/Wilson to approve Resolution 3063 approving and adopting the Fiscal year 2021/2022 Budget. Roll call vote: Ayes-Four. Nay-Bass.

Ratchford/Bass to open Public Hearing for the Revenue Purpose Statement for expenditure of franchise fees revenue from proposed electric and natural gas franchise agreements at 6:26 p.m. Ayes-Five. Motion carried. Proof of publication is on file and there were no public comments. Ratchford/Bass to close Public Hearing at 6:27. Ayes-Five. Motion carried.

Smock/Ratchford to approve Resolution 3064 approving the Revenue Purpose Statement for expenditure of franchise fees revenue from proposed electric and natural gas franchise agreements. Roll call vote: Ayes-Five.

Ratchford/Bass to approve second reading of Ordinance 270 Amending the Code of Ordinances of the City of Elk Run Heights, Iowa, by amending chapter 13.16, wastewater treatment user charges, second reading. Roll call vote: Ayes-Five.

Ratchford/Wilson to open Public Hearing for the proposal to renew for a twenty-five (25) year period a non-exclusive electric and gas supply, operation, and maintenance franchise with MidAmerican Energy Company, which may include franchise fees at 6:28 p.m. Ayes-Five. Motion carried. Proof of publication is on file and there were no public comments. Ratchford/Bass to close Public Hearing at 6:29 p.m. Ayes-Five. Motion carried.

Wilson/Ratchford to approve first reading of Ordinance 271 granting to MidAmerican Energy Company, its successors and assigns, the right and non-exclusive franchise to acquire, construct, erect, maintain and operate in the city of Elk Run Heights, Iowa, an electric system, and communications facilities and to furnish and sell electric energy to the city and its inhabitants and authorizing the city to collect franchise fees for a period of 25 years. Roll call vote: Ayes-Five.

Ratchford/Bass to approve first reading of Ordinance 272 granting to MidAmerican Energy Company, its successors and assigns, the right and non-exclusive franchise to acquire, construct, erect, maintain and operate in the city of Elk Run Heights, Iowa, a natural gas system and to furnish and sell natural gas to the city and its inhabitants and authorizing the city to collect franchise fees for a period of 25 years. Roll call vote: Ayes-Five.

Ratchford/Smock to approve the Job Description for the Public Works/Code Enforcement/Building Inspector position. City Clerk Eastman stated the only change was adding the section stating testing must be completed within 2 years of the hire date. Ayes-Five. Motion carried.

Set posting and closing dates for Public Works/Code Enforcement/Building Inspector position. After discussion it was agreed to post from April 1st through the 30th on our website, Facebook, Craigslist, the Courier, and with the League of Cities.

Public discussion: Non-agenda items: Travis Rodden from Elk Run Street voiced his concerns of the rate increases.

Mayors/Council/Engineer Reports: Councilor Ratchford stated he has received a complaint of parking in grass and would like a letter sent out. Mayor Lundy informed Councilor of a letter received from Iowa League of Cities offering a program to the residents educating them about service line responsibilities and provide optional protection from unanticipated service line repair costs. Council discussed and found this to be a good option and we should spread the word through the website and Facebook. Lundy then presented a contract received from PeopleService for a mutual aide agreement for natural disaster assistance. City Attorney Prendergast stated she would review the contract and inform council exactly what is being presented. Lundy then informed she had spoken with Paster Jason Minikus with Faith Assembly Church; they will be doing a walk-through Elk Run Heights in May for the "End It" Movement for the prevention of human trafficking and slavery. Councilor Smock informed Council that City Clerk Eastman received her Clerk Certification. Councilor Bass asked Eastman about the sump pump inspections. She responded there will be final notices sent out to the remainder of residents who have not completed the inspection, but in the meantime the letters will be sent out to the next group soon. Eastman added it is her intention to have all the inspections done by midsummer. Councilor Wilson informed Council the City may have to opportunity to purchase the Elk Run Heights Preschool from Waterloo Schools.

Ratchford/Wilson to adjourn at 7:02 p.m. Ayes-Five. Motion carried.

Attest:

Kristi Lundy, Mayor

Julie Eastman, City Clerk